



BILLING CODE: 4510-29-P

DEPARTMENT OF LABOR

Office of the Secretary

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Abandoned Individual Account Plan Termination

ACTION: Notice.

SUMMARY: The Department of Labor (DOL) is submitting the Employee Benefits Security Administration (EBSA) sponsored information collection request (ICR) titled, “Abandoned Individual Account Plan Termination,” to the Office of Management and Budget (OMB) for review and approval for continued use, without change, in accordance with the Paperwork Reduction Act of 1995 (PRA), 44 U.S.C. 3501 et seq. Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that agency receives on or before **[INSERT DATE 30 DAYS AFTER THE DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: A copy of this ICR with applicable supporting documentation; including a description of the likely respondents, proposed frequency of response, and estimated total burden may be obtained free of charge from the RegInfo.gov Web site at http://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=201508-1210-002 (this link will only become active on the day following publication of this notice) or by contacting

Michel Smyth by telephone at 202-693-4129, TTY 202-693-8064, (these are not toll-free numbers) or by email at DOL_PRA_PUBLIC@dol.gov.

Submit comments about this request by mail or courier to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for DOL-EBSA, Office of Management and Budget, Room 10235, 725 17th Street, N.W., Washington, DC 20503; by Fax: 202-395-5806 (this is not a toll-free number); or by email: OIRA_submission@omb.eop.gov. Commenters are encouraged, but not required, to send a courtesy copy of any comments by mail or courier to the U.S. Department of Labor-OASAM, Office of the Chief Information Officer, Attn: Departmental Information Compliance Management Program, Room N1301, 200 Constitution Avenue, N.W., Washington, D.C. 20210; or by email: DOL_PRA_PUBLIC@dol.gov.

FOR FURTHER INFORMATION CONTACT: Michel Smyth by telephone at 202-693-4129, TTY 202-693-8064, (these are not toll-free numbers) or by email at DOL_PRA_PUBLIC@dol.gov.

AUTHORITY: 44 U.S.C. 3507(a)(1)(D).

SUPPLEMENTARY INFORMATION: This ICR seeks to extend PRA authority for the Abandoned Individual Account Plan Termination information collection requirements codified in regulations 29 CFR 2520.103-11, 2550.404a-3, and 2578 and in Prohibited Transaction Exemption (PTE) 2006-06 as amended. More specifically the ICR supports the following information collections:

Qualified Termination Administrator (QTA) Regulation (29 CFR 2578.1): The QTA regulation creates an orderly and efficient process by which a financial institution holding assets of a plan deemed to have been abandoned may undertake to terminate the plan and

distribute its assets to participants and beneficiaries holding accounts under the plan, with protections and DOL approval under the regulatory standards. The regulation requires the QTA to provide certain notices to the DOL, to participants and beneficiaries, and to the plan sponsor (or service providers to the plan, if necessary), and to keep certain records pertaining to the termination.

Abandoned Plan Terminal Report Regulation (29 CFR 2520.103-11): The terminal report regulation provides an alternative method for a QTA to satisfy the annual report requirement otherwise applicable to a terminating plan. The QTA files a simplified terminal report with the DOL after terminating an abandoned plan and distributing its accounts to participants and beneficiaries.

Terminated Plan Distribution Regulation (29 CFR 2550.404a-3): The terminated plan distribution regulation establishes a safe harbor method by which a fiduciary terminating an individual account pension plan (whether abandoned or not) may select an investment vehicle to receive account balances distributed from the terminated plan when the participant has failed to provide investment instructions. The regulation requires the fiduciary to provide advance notice to participants and beneficiaries of how such distributions will be invested, if no other investment instructions are provided.

Abandoned Plan Class Exemption (PTE 2006-06): The exemption permits a QTA terminating an abandoned plan under the QTA regulation to receive payment for its services from the abandoned plan and to distribute the account balance of a participant who has failed to provide investment direction into an individual retirement account maintained by the QTA or an affiliate. Without the exemption, financial institutions could be unable to receive payment for services rendered out of plan assets without violating

Employee Retirement Income Security Act (ERISA) prohibited transaction provisions and being subject to taxes imposed by Internal Revenue Code of 1986 section 4975; consequently, without the exemption, the institutions would be highly unlikely to terminate abandoned plans. One exemption condition requires the QTA to record the distributions, retain the records for six (6) years, and make these records available on request to interested persons (including the DOL, participants, and beneficiaries). If a QTA wishes to be paid out of plan assets for services provided prior to becoming a QTA, the exemption requires the QTA to enter into a written agreement with a plan fiduciary or the plan sponsor prior to receiving payment and provide the DOL with a copy of the agreement.

The regulations and PTE encourage the orderly termination of an abandoned plan and the timely distribution of plan assets to participants and beneficiaries. Participants and beneficiaries would likely be denied access to the money in their individual account plans in the absence of these regulations and exemption, because financial institutions holding assets of abandoned plans usually do not have the authority to take any of these steps.

Because these regulations and the PTE relate to either or both abandoned plan termination and benefit distribution and rollover when no participant investment election has been made, the DOL has combined the paperwork burden for all of these actions into one ICR. This combination allows the public to have a better understanding of the aggregate burden imposed on the public for these related regulatory actions. ERISA sections 101, 404, 408, and 505 authorize this information collection. See 29 U.S.C. 29 U.S.C. 1021, 1104, 1108, and 1135.

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless it is approved by the OMB under the PRA and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid Control Number. See 5 CFR 1320.5(a) and 1320.6. The DOL obtains OMB approval for this information collection under Control Number 1210-0127.

OMB authorization for an ICR cannot be for more than three (3) years without renewal, and the current approval for this collection is scheduled to expire on September 30, 2015. The DOL seeks to extend PRA authorization for this information collection for three (3) more years, without any change to existing requirements. The DOL notes that existing information collection requirements submitted to the OMB receive a month-to-month extension while they undergo review. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on June 17, 2015 (80 FR 34696).

Interested parties are encouraged to send comments to the OMB, Office of Information and Regulatory Affairs at the address shown in the ADDRESSES section within thirty (30) days of publication of this notice in the **Federal Register**. In order to help ensure appropriate consideration, comments should mention OMB Control Number 1210-0127. The OMB is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Agency: DOL-EBSA.

Title of Collection: Abandoned Individual Account Plan Termination.

OMB Control Number: 1210-0127.

Affected Public: Private Sector—businesses or other for-profits.

Total Estimated Number of Respondents: 26,700.

Total Estimated Number of Responses: 1,308,000.

Total Estimated Annual Time Burden: 47,700 hours.

Total Estimated Annual Other Costs Burden: \$689,000.

Dated: September 9, 2015.

Michel Smyth,

Departmental Clearance Officer.

